

OMNI Updates

Winter 2013

What is OMNI P3?

Preferred Provider Program

In its simplest form, P3 is a means of highlighting specific Service Providers which meet certain key standards which have been deemed highly desirable by an independent committee of 403(b) plan sponsors.

Where Can I see a List of P3 Providers?

The most up-to-date list can be found on OMNI's web site at www.omni403b.com.

My current Service Provider is not part of the P3 program. Does this mean that I cannot contribute to them?

Not necessarily. Employers choose to opt into P3 on an individual basis. If your Employer chooses to participate in the program, "non-P3" accounts may be grandfathered to allow for on-going contributions.

Does this mean that OMNI is no longer an independent TPA?

No, P3 is designed to highlight Service Providers selected by an independent advisory committee of plan sponsors, using criteria they defined.



Did you know that you can diversify your investments across more than one Service Provider?

*Plan Permitting

403(b) HOMEWORK

Learn 403(b) Terms

Explanations of the most common 403(b) terms:

Tax Sheltered Annuity (TSA)

A commonly used term that is simply another word for a 403(b) retirement plan.

Service Providers

Companies that offer investments; also commonly referred to as "fund companies" or "investment companies".

Investment Vehicles

Invested funds withdrawn from your paycheck. Each Service Provider offers numerous Investment Vehicles designed to meet the needs of various types of investors. Every Investment Vehicle has its own unique advantages and risks, so be sure to do your homework when deciding which one is right for you!

Fund Performance

Is used to describe how the funds you have invested in have grown within a certain period of time. Fund performance is normally expressed as a percentage, and is sometimes referred to as a "Rate of Return".

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&
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FROM
THE OMNI GROUP

2013

2014 403(b) Plan Limits

2014 Maximum Allowable Contribution (MAC) limits for the 2014 calendar year.

The elective deferral limit for 403(b)/457 plans remains at \$17,500. All catch up extensions will remain unchanged in 2014. Employees age 50 and over will be entitled to contribute an additional \$5,500 to their 403(b) or 457 plan(s) thereby increasing the elective deferral limit to \$23,000. Individuals with at least 15 years of service with their current employer may be entitled to contribute up to an additional \$3,000 above their age-based limit, potentially increasing the limit to \$26,000 for a participant utilizing both age based and the full amount of the service based catch-up provisions.



If you expect to make or receive a non-elective/employer contribution in 2014, please note that the 415(c) limit has increased to \$52,000 (from last year's limit of \$51,000). Accordingly, employers may contribute up to \$52,000 to an employee's 403(b) plan. Recipients of non-elective contributions age 50 and up will retain the opportunity to utilize the age based catch-up beyond the 415(c) limitation, allowing for a "combined maximum" of \$57,500 in 2014. Please note that the amount of non-elective employer contributions are reduced by employee elective deferrals.

\$17,500 Base Limit

Is employee eligible for 15-year cap expansion?

YES

NO

\$20,500 *Limit

Is employee age 50 or older this calendar year

YES

NO

\$17,500 Limit

Is employee age 50 or older this calendar year

YES

NO

\$26,000 *Limit

\$20,500 *Limit

\$23,000 Limit

\$17,500 Limit

*Individual Calculations Required

If you have any questions concerning the 2014 contribution limits, or any other 403(b)/457 concerns, please contact OMNI at 877-544-6664.